

LNF & IHCIF Calculations Illustration **- WAMPANOAG in Nashville area -**

Given Data

- 288 = 1998 user count
- \$2,980 = National average cost per person (not including wrap-around costs)
- 90% = % Expenditures on purchased services, 10% = % expenditures in-house
- 117.9% = Cost index for purchasing health care in this geographic area
- 135.7% = Size cost index for in-house costs due to small or large size
- 95.9% = Nashville area cost index for health status above or below average

Cost Adjustment Calculations

- \$3,161 per person for purchased services = $90\% * 117.9\% * \$2,980$
- \$404 per person for in-house services = $10\% * 135.7\% * \$2,980$
- \$3,566 per person total = \$3,161 (purchase) + \$404 (in-house)
- **\$3,421 per person total** adjusted for health status = $\$3,566 * 95.9\%$
- **\$2,676 per person net cost** = $\$3,421 - \745 Other resources (M&M&PI)

Existing Expenditures (for 288 users excluding wrap-around and collections)

- \$1,992 per person = local IHS allowance (excludes \$ for wrap-around)
- \$155 per person = expenditures elsewhere in Nashville area on behalf of area users
- \$54 per person = expenditures elsewhere in IHS on behalf of IHS users
- **\$2,201 per person for OU users** = $\$1,992 + \$155 + \$54$

LNF Calculation

- **64.3% Gross LNF** = $\$2,201$ (expenditures) / $\$3,421$ total cost (ignoring Medicare, Medicaid, PI spending on behalf of OU users)
- **82.2% Net LNF** = $\$2,201 / \$2,676$ net cost ($\$3,421 - \745 other)

IHCIF Allocation

- \$0 = \$ to raise LNF% from 82.2% to 60%
- \$258,040,100 = aggregate \$ to raise all locations to 60%
- 3.488% IHCIF fraction = $\$9,000,000$ fund / $\$258,040,100$ needed
- **\$0 Allocation** = \$0 needed for 60% * 3.488% IHCIF fraction

WAMPANOAG Unmet Needs

- **\$770,586 Net Total Need** = 288 users * $\$2,676$ net cost
- **\$136,815 Net Unmet Need** = $(100\% - 82.2\% \text{ LNF}) * 288$ users * $\$2,676$ net cost